

# Supporting Statement

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*OMB Number 1530-0052*

*FS Form 3871; "Application for Issue of United States Mortgage Guaranty Insurance Company and Loss Bonds."*

## **A. JUSTIFICATION:**

### **Summary of Changes for renewal in 2025:**

Q8: Current Federal Register citation was added.

Q12: The estimated Annual Respondent Cost was updated.

Q14: The factors used to calculate the cost to the Federal Government were updated in this response.

Q15: Justification for the reported increase to annual respondents in Item 12 was provided.

### **1. Explain the circumstances that make this collection of information necessary. Identify any legal or administrative requirements that necessitate the collection.**

This information is collected by authority of 31 U.S.C. 3102, et seq. The information collected is necessary to establish and maintain Tax and Loss Bond accounts.

### **2. Indicate how, by whom and for what purpose is this information used?**

The information on the completed form is used by the Department of the Treasury, Bureau of the Fiscal Service to establish Tax and Loss Bond accounts, authorize payments, and collections of proceeds to be processed through Direct Deposit.

### **3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology? What consideration is given to use information technology to reduce burden?**

The form in this collection is available in electronic format for users to download and complete on their own.

### **4. Describe efforts are used to identify duplication? Why can't any similar information already available be used or modified for use for the purposes described in Item 2 above?**

The information on the form is collected for a single purpose to establish and maintain Tax and Loss Bond accounts. No other federal governmental agency collects this type of information; therefore, no duplication exists.

### **5. If this collection of information impacts small businesses or other small entities, what methods are used to minimize burden?**

This collection of information does not impact small businesses or other small entities.

### **6. What consequences to Federal program or policy activities and what, if any, technical or legal obstacles to reducing burden will occur if this collection is not conducted or is conducted less frequently?**

Information requested on the form is voluntary, however, without the use of the form, the Bureau of the Fiscal Service and its agents would not have the ability to issue securities, process transactions, make payments, and identify owners and their accounts.

**7. Is this collection of information conducted in a manner consistent with the guidelines of 5 CFR 1320.6?**

There are no special circumstances. The collection of information is conducted in a manner consistent with the guidelines in 5 CFR 1320.6.

**8. What effort was made to notify the general public about this collection of information?**

The Bureau's notice was published in the Federal Register on May 15, 2025, Volume 90, Page 20739. No comments were received.

**9. What decision was made to provide any payment or gift to respondents, other than reenumeration of contractors or grantees?**

There are no payments or gifts made to respondents.

**10. What assurance of confidentiality was provided to respondents and what was the basis for the assurance in statute, regulations, or agency policy?**

Aside from protections contained in the Privacy Act, there is no guarantee of confidentiality.

**11. What justification is there for questions of a sensitive nature?**

There are no questions of a sensitive nature. Personally identifiable information (PII) collected on this form such as name and account number is necessary to establish entitlement and request proper distribution of Tax and Loss Bond and/or related payments. An applicable System of Records Notice for this information was published February 27, 2020. System of Records Name: Treasury/Fiscal Service .014—United States Securities and Access) and Treasury/ Fiscal Service .020— U.S. Treasury Securities Fraud Information Systems. The privacy impact assessment (PIA) conducted for this collection of information can be found at <https://www.fiscal.treasury.gov/files/pia/dims-pcia.pdf>

**12. What is the estimated hour burden of this collection of information?**

a. The estimated burden of 12 hours from 48 respondents is calculated as follows:

# Respondents	Responses per Respondent	Annual Responses	Time per Response	Total Burden
48	1	48	15 minutes (0.25 hours)	12 hours

b. Estimate of Annual Respondent Cost.

Number of Respondents	Number of Responses per Respondent	Average Burden per Response (in hours)	Total Annual Burden (in hours)	Average Hourly Wage Rate <sup>1</sup>	Total Annual Respondent Cost
48	1	15 minutes (0.25 hours)	12	\$62.06	\$744.72

**13. What is the estimated total annual cost burden to respondents or recordkeepers resulting from this collection of information?**

There are no capital/start-up or ongoing operation/maintenance costs associated with this information collection.

**14. What is the annualized cost to the Federal Government?**

In general, Fiscal Service has determined that there are no annualized non-labor, printing, or distribution costs to the Government associated with this information collection. Fiscal Service processes this collection to establish and maintain book entry accounts for the owners of Tax and Loss bonds, establish issue and maturity dates for the bonds, and provide electronic payment routing instructions for the proceeds. In addition, there are no printing and distribution costs associated with this collection.

As for Federal Government labor costs, Fiscal Service has determined that its labor costs for this information collection are limited to analyzing incoming correspondence concerning issues, reissues, and redemptions of Tax and Loss bonds. Therefore, Treasury estimates its labor costs for paper submissions of this collection as follows:

Labor Category	Fully-loaded Labor Rate/Hour <sup>2</sup>	Avg. Processing Time per Response	Labor Costs per Response	Total Responses	Total Govt. Labor Costs
Accountant (GS-12 Step 5 base rate.)	\$78.45	15 minutes	\$19.61	48	\$941.28

<sup>1</sup> It is expected that respondents to this collection could be from Financial Specialist occupation with an average wage rate of \$43.10 according to the May 2023 National Occupational Employment and Wage Estimates. [https://www.bls.gov/oes/current/oes\\_nat.htm](https://www.bls.gov/oes/current/oes_nat.htm) A benefit multiplier of 1.44 is used to calculate a fully-loaded wage rate of \$43.10\*1.44=\$62.06

Using the BLS Employer Costs for Employee Compensation – March 2020 report <https://www.bls.gov/news.release/pdf/ecec.pdf>, a benefit multiplier of 1.44 was calculated by taking the private industry worker 50<sup>th</sup> (median) wage percentile total compensation rate divided by the wages and salaries rate. \$26/\$18.05=1.44

<sup>2</sup> Federal Government Fully-loaded Labor Rate per Hour = Federal Government Fully-loaded Labor Rate per Hour = Wage rate x a factor of 1.63 to account for benefit costs. Per the Office of Personnel Management (OPM) wage data, the hourly fully-loaded labor rate for a GS-12, step 5 Federal employee in the Parkersburg, WV (RUS) wage area is \$78.45 (\$48.13 wages plus \$30.32 in benefit costs). See the OPM website at [https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2025/RUS\\_h.pdf](https://www.opm.gov/policy-data-oversight/pay-leave/salaries-wages/salary-tables/pdf/2025/RUS_h.pdf)

**15. What is the reason for any program changes or adjustments reported in Items 13 or 14 of the OMB Form 83-I?**

The increase in responses reported in Item 12 considers information for issuances and maturity payments that is collected on the form in this collection in addition to early redemptions where requests are received on company letterhead as substitute where a designated form does not exist.

**16. For collections of information whose results will be published, outline plans for tabulation and publication.**

The results of the collection of this information will not be published for statistical use.

**17. If seeking approval to not display the expiration date for OMB approval of this information collection, what are the reasons that the display would be inappropriate?**

The public interest will be better served by not displaying an expiration date on FS Form 3871. The time period during which the current edition of the form will continue to be usable cannot be predicted. It could easily span several cycles of review and OMB clearance renewal. Displaying the expiration date would make it necessary to update the electronic form and website where it is accessed after each renewal. Additionally, not displaying the expiration date on the form will avoid confusion among members of the public who may have identical forms with different expiration dates in their possession. By not displaying the expiration date, supplies of the form could continue to be used regardless of when the OMB approval has expired. This would reduce costs incurred through additional printing and desktop publishing.

**18. What are the exceptions to the certification statement?**

There are no exceptions to the certification statement.

**B. This collection does not employ statistical methods.**